SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN FRANCISCO

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Case Number: CGC-15-546152

Filing Date: Jun-04-2015 12:00

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COMPLAINT

CITY AND COUNTY OF SAN FRANCISCO, A MUNICIPAL ET AL VS. ANNE KIHAGI ET AL

001C04939628

Instructions:

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54

SUMMONS
(CITACION JUDICIAL)

ORIGINAL

SUM-100

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

NOTICE TO DEFENDANT: ANNE KIHAGI aka ANNA KIHAGI aka
(AVISO AL DEMANDADO): ANNA SWAIN aka ANNE KIHAGI SWAIN aka ANNA KIHAGI SWAIN, JULIA MWANGI aka JULIA MUNENE, CHRISTINE MWANGI aka CHRISTINA MWANGI aka CHRISTINE JOHNSON, XELAN PROP 1, LLC, RENKA PROP, LLC, NOZARI 2, LLC, ZORIALL, LLC, and DOE ONE THROUGH DOE FIFTY,

YOU ARE BEING SUED BY PLAINTIFF: CITY AND COUNTY OF SAN
(LO ESTÁ DEMANDANDO EL DEMANDANTE): FRANCISCO, a Municipal Corporation, and the PEOPLE OF THE STATE OF CALIFORNIA, by and through DENNIS J. HERRERA, City Attorney for the City and County of San Francisco

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (*www.courtinfo.ca.gov/selfhelp*), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (*www.lawhelpcalifornia.org*), the California Courts Online Self-Help Center (*www.courtinfo.ca.gov/selfhelp*), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of $10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case.
¡AVISO! *Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a* continuación

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de $10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:
(El nombre y dirección de la corte es):
SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE CITY AND COUNTY OF SAN FRANCISCO
400 McAllister Street, Room 103
San Francisco, CA 94102

CASE NUMBER:
(Número del Caso): CGC 15-546152

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:
(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):
DENNIS J. HERRERA, City Attorney (SBN 139669) 415-554-3824 415-437-4644
MICHAEL WEISS, Deputy City Attorney (SBN 168378)
1390 Market Street, Sixth Floor
San Francisco, CA 94102-5408

DATE:
(Fecha) JUN 04 2015 CLERK OF THE COURT Clerk, by Victoria Gonzalez, Deputy
(Secretario) *(Adjunto)*

(For proof of service of this summons, use Proof of Service of Summons *(form POS-010).)*
(Para prueba de entrega de esta citatión use el formulario Proof of Service of Summons, *(POS-010)).*

[SEAL]

NOTICE TO THE PERSON SERVED: You are served
1. ☐ as an individual defendant.
2. ☐ as the person sued under the fictitious name of *(specify):*
3. ☐ on behalf of *(specify):*

under: ☐ CCP 416.10 (corporation) ☐ CCP 416.60 (minor)
☐ CCP 416.20 (defunct corporation) ☐ CCP 416.70 (conservatee)
☐ CCP 416.40 (association or partnership) ☐ CCP 416.90 (authorized person)
☐ other *(specify):*

4. ☐ by personal delivery on *(date):*

Form Adopted for Mandatory Use
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SUM-100 [Rev. July 1, 2009]

SUMMONS

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Code of Civil Procedure §§ 412.20, 465

ORIGINAL

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CITY AND COUNTY OF SAN FRANCISCO and
PEOPLE OF THE STATE OF CALIFORNIA

FILED
Superior Court of California
County of San Francisco
JUN 04 2015
CLERK OF THE COURT
BY: _____ Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

UNLIMITED JURISDICTION

CITY AND COUNTY OF SAN FRANCISCO, a Municipal Corporation, and the PEOPLE OF THE STATE OF CALIFORNIA, by and through DENNIS J. HERRERA, City Attorney for the City and County of San Francisco,

Plaintiffs,

vs.

ANNE KIHAGI aka ANNA KIHAGI aka ANNA SWAIN aka ANNE KIHAGI SWAIN aka ANNA KIHAGI SWAIN, JULIA MWANGI aka JULIA MUNENE, CHRISTINE MWANGI aka CHRISTINA MWANGI aka CHRISTINE JOHNSON, XELAN PROP 1, LLC, RENKA PROP, LLC, NOZARI 2, LLC, ZORIALL, LLC, and DOE ONE THROUGH DOE FIFTY,

Defendants.

Case No. CGC 15-546152

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

[REAL PROPERTY]

Type of Case: (42) Other Complaint

The CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, (hereinafter, "SAN FRANCISCO" or "City"), and the PEOPLE OF THE STATE OF CALIFORNIA, by and through DENNIS J. HERRERA, City Attorney for the City and County of San Francisco (hereinafter, "PEOPLE"), (collectively, "Plaintiffs") file their complaint against ANNE KIHAGI aka ANNA KIHAGI aka ANNA SWAIN aka ANNE KIHAGI SWAIN aka ANNA KIHAGI SWAIN (hereinafter, "KIHAGI"), JULIA MWANGI aka JULIA MUNENE (hereinafter, "J. MWANGI"), CHRISTINE MWANGI aka CHRISTINA MWANGI aka CHRISTINE JOHNSON (hereinafter, "C. MWANGI"), XELAN PROP 1, LLC (hereinafter, "XELAN"), RENKA PROP, LLC (hereinafter, "RENKA"), NOZARI 2, LLC (hereinafter, "NOZARI"), ZORIALL, LLC (hereinafter, "ZORIALL"), and DOE ONE through DOE FIFTY (collectively "Defendants").

Since 2013, Defendants have acquired more than 50 rent-controlled residential units in San Francisco, most of which were occupied by long-term tenants. In defiance of numerous state and local laws protecting these tenants and capping rents, Defendants have waged a war of harassment, intimidation, and retaliation using unlawful, unfair and fraudulent practices designed to force them out to make room for new tenants who pay market rent. The victims of Defendants' relentless campaign include a public school teacher, a cabinet maker, a professional skydiver, and at least six elderly and disabled tenants, including a 71-year-old retired school crossing guard, a 65-year-old Army veteran who is battling cancer, a 68-year-old employee of Saints Peter and Paul Church, and a 91-year-old great grandmother, who is bedridden.

Plaintiffs hereby allege as set forth below:

INTRODUCTION

1. San Francisco is currently in the midst of a historic housing crisis. According to real estate blog Curbed SF, the median rent in San Francisco "now sits at a terrifying $4,225/month." http://sf.curbed.com/archives/2015/05/22/san_franciscos_median_rent_climbs_to_a_whopping_4225.php. Because of skyrocketing rents in today's white-hot real estate market, San Francisco residents who lose their rent-controlled apartments have few options but to move out of the City they call home.

2. In 1979, San Francisco established the San Francisco Rent Stabilization and Arbitration Ordinance, codified as San Francisco Administrative Code § 37 ("Rent Ordinance"). The Rent

Ordinance was enacted in response to a critical housing shortage, in which tenants were displaced as a result of their inability to pay increased rents, and were forced to relocate because they were unable to find decent, safe, and sanitary housing at affordable rent levels. This situation had a detrimental effect on a substantial numbers of San Francisco renters, especially creating hardships on senior citizens, persons on fixed incomes and low- and moderate-income households. San Francisco Administrative Code Section 37.1(b)(2).

3. It has long been settled that the police power of municipalities extends to objectives in furtherance of the public peace, safety, morals, health and welfare, and is not a circumscribed prerogative, but is elastic and, in keeping with the growth of knowledge and the belief in the popular mind of the need for its application, capable of expansion to meet existing conditions of modern life. The municipal police power justifies reasonable regulations upon private property rights to serve the larger public good. *Birkenfeld v. City of Berkeley*, 17 Cal.3d 129 (1976).

4. The Rent Ordinance covers approximately 172,000 residential units. Designed to stabilize San Francisco's housing market, the Rent Ordinance caps annual rent increases and permits evictions only under limited circumstances. The Rent Ordinance furthers the legitimate objectives of promoting the public health and welfare in San Francisco.

5. By 2008, some landlords, frustrated by the limitations on rent increases imposed by the Rent Ordinance, were using strong-arm and unlawful tactics such as harassment, threats, reduction in services, retaliation, and false accusations to hasten natural or lawful attrition. The City's voters, many of whom are tenants, clearly perceived a need to prohibit such abuse, to ensure that tenants are treated fairly, and to prevent landlords from undermining the City's rent control laws. In 2008, the voters responded by passing Proposition M, codified as San Francisco Administrative Code Section 37.10B, which prohibits residential landlords from harassing their tenants in bad faith.

6. Since June 2013, Defendants have been rampantly violating the letter and spirit of the Rent Ordinance, and in particular, Section 37.10B, by harassing, retaliating, and intimidating their tenants into surrendering their rent-controlled units.

7. Defendants have spent more than $24 million acquiring nine multi-unit residential rental properties (over 50 rent-controlled residential units) in San Francisco, including the following:

3947 18th Street (hereinafter, "18th Street"), 1000-1022 Filbert Street (hereinafter, "Filbert"), 195 Eureka Street (hereinafter, "Eureka"), 1135-1139 Guerrero Street (hereinafter, "Guerrero"), 69-75 Hill Street (hereinafter, "Hill"), and 650 Church Street (hereinafter, "Church"), collectively, the "Properties." The Properties are discussed in greater detail below. Defendants' acquisitions also include the following properties: 4018-4022 19th Street (hereinafter, "19th Street"), 1378-1382 Alabama Street (hereinafter, "Alabama"), and 3328-3330 26th Street (hereinafter, "26th Street").

8. Defendants have engaged in a series of unlawful, unfair, fraudulent and deceptive business practices to systematically displace and recover possession of rent-controlled units in violation of state and local law. Defendants accomplish this displacement through deliberate, malicious, and oppressive acts, including, but not limited to, harassment, retaliation, intimidation, fraud, abuse, false accusations, reduction of services, refusal to timely and properly perform repairs, bullying, invasion of privacy, and willful destruction of the tenants' guarantee of quiet enjoyment. Once Defendants have successfully terrorized the tenants out of the units, they quickly renovate the units, in many cases without first obtaining the proper City permits and attendant inspections, and then advertise the units for rent online, seeking to rent the units at substantially increased rents.

9. By engaging in these acts, Defendants are violating the law to achieve a financial gain at the expense of their tenants. The victims of such practices are not only Defendants' tenants, but also other owners of residential property who operate their buildings following local and state law. As a result, Defendants gain an unfair competitive advantage over other property owners and/or management companies.

PARTIES

10. Plaintiff SAN FRANCISCO is a municipal corporation organized and existing under and by virtue of the laws of the State of California. SAN FRANCISCO brings this action under San Francisco Administrative Code Section 37.10B, California Health and Safety Code Sections 17910-17998.3, California Civil Code Section 3294, and California Code of Civil Procedure Section 526.

11. Plaintiff PEOPLE, by and through Dennis J. Herrera, City Attorney for the City and County of San Francisco, brings this action pursuant California Civil Code Sections 3479 and 3480, California Code of Civil Procedure Section 731, and California Business and Professions Code

Sections 17200-17210.

12. Defendant KIHAGI is, and at all relevant times has been, a resident of California, and an owner, manager, operator, maintainer, controller, affiliate and/or agent of one or more of the Properties, either in her name, or as a member of one or more of the limited liability companies named as Defendants in this action. Defendant KIHAGI, as an individual, and/or as a member of one or more of the limited liability companies named as Defendants in this action, is sued in her capacity as the past or present owner, lessor and/or manager of one or more of the Properties, or the agent of the owner, lessor, and/or manager of one or more of the Properties, and as the person committing the acts alleged in this Complaint, or the person allowing or directing the commission of the acts alleged in this Complaint. Defendant KIHAGI is a prolific professional real estate investor and landlord in the San Francisco and Los Angeles markets. Defendant KIHAGI, as an individual, and/or as a member of one or more of the limited liability companies named as Defendants in this action, has, since June 2013, purchased at least nine multi-unit residential properties in San Francisco, for a total purchase price of approximately twenty-four million dollars ($24,000,000.00). Defendant KIHAGI is a member of numerous California limited liability companies, including those named as Defendants herein. Defendant KIHAGI's business address as listed with the San Francisco Assessor's Office is: P.O. Box 691889, Los Angeles CA, 90069.

13. Defendant J. MWANGI is, and at all relevant times has been, a resident of California, and an owner, manager, operator, maintainer, controller, affiliate and/or agent of one or more of the Properties, either in her name, or as a member of one or more of the limited liability companies named as Defendants in this action. Defendant J. MWANGI, as an individual, and/or as a member of one or more of the limited liability companies named as Defendants in this action, is sued in her capacity as the past or present owner, lessor, and/or manager of one or more of the Properties, or the agent of the owner, lessor, and/or manager of one or more of the Properties, and as the person committing the acts alleged in this Complaint, or the person allowing or directing the commission of the acts alleged in this Complaint. Defendant J. MWANGI is the alleged sister of Defendant KIHAGI and an active participant in KIHAGI's real estate investment business.

14. Defendant C. MWANGI is, and at all relevant times has been, a resident of California, and an owner, manager, operator, maintainer, controller, affiliate and/or agent of one or more of the Properties, either in her name, or as a member of one or more of the limited liability companies named as Defendants in this action. Defendant C. MWANGI, as an individual and/or as a member of one or more of the limited liability companies named as Defendants in this action, is sued in her capacity as the past or present owner, lessor, and/or manager of one or more of the Properties, or the agent of the owner, lessor, and/or manager of one or more of the Properties, and as the person committing the acts alleged in this Complaint, or the person allowing or directing the commission of the acts alleged in this Complaint. Defendant C. MWANGI is the alleged sister of Defendant KIHAGI, and an active participant in KIHAGI's real estate investment business.

15. Defendant XELAN is, and at all relevant times was, a limited liability company formed and operating under the laws of the State of California. Defendant KIHAGI formed Defendant XELAN on or about May 21, 2013. At all relevant times, Defendant XELAN has also been a legal owner, manager, operator and maintainer of one or more of the Properties. XELAN is sued in its capacity as the past or present owner, lessor, and/or manager of one or more of the Properties, and as the entity responsible for committing the acts alleged in this Complaint, or the entity allowing or directing the commission of the acts alleged in this Complaint. Defendant XELAN's business address as registered with the Secretary of State's Office is: 1220 North Formosa Avenue, West Hollywood, California 90046. Defendant XELAN's business address as listed with the San Francisco Assessor's Office is: P.O. Box 691889, Los Angeles CA, 90069. Defendant XELAN's only member is Defendant KIHAGI. Defendant KIHAGI owns 100% of Defendant XELAN.

16. Defendant RENKA is, and at all relevant times was, a limited liability company formed and operating under the laws of the State of California. Defendant KIHAGI formed Defendant RENKA on or about December 3, 2013. At all relevant times, Defendant RENKA has also been a legal owner, manager, operator and maintainer of one or more of the Properties. Defendant RENKA is sued in its capacity as the past or present owner, lessor, and/or manager of one or more of the Properties, and as the entity responsible for committing the acts alleged in this Complaint, or the entity allowing or directing the commission of the acts alleged in this Complaint. Defendant RENKA's

business address as registered with the Secretary of State's Office is: 1220 North Formosa Avenue, West Hollywood, California 90069. Defendant RENKA's business address as listed with the San Francisco Assessor's Office is: P.O. Box 691889, Los Angeles CA, 90069. Defendant RENKA's members include Defendants KIHAGI (75% owner) and J. MWANGI (25% owner).

17. Defendant NOZARI is, and at all relevant times was, a limited liability company formed and operating under the laws of the State of California. Defendant KIHAGI formed Defendant NOZARI on or about September 15, 2014. At all relevant times, Defendant NOZARI has been a legal owner, manager, operator and maintainer of one or more of the Properties. Defendant NOZARI is sued in its capacity as the past or present owner, lessor, and/or manager of one or more of the Properties, and as the entity responsible for committing the acts alleged in this Complaint, or the entity allowing or directing the commission of the acts alleged in this Complaint. Defendant NOZARI's business address as registered with the Secretary of State's Office is: 458 North Doheny Drive #1889, West Hollywood, CA 90069. NOZARI's business address as listed with the San Francisco Assessor's Office is: P.O. Box 690889, Los Angeles CA, 90069. Defendant NOZARI's only member is Defendant KIHAGI. Defendant KIHAGI owns 100 % of Defendant NOZARI.

18. Defendant ZORIALL is, and at all relevant times was, a limited liability company formed and operating under the laws of the State of California. Defendant KIHAGI formed Defendant ZORIALL on or about May 29, 2014. At all relevant times, Defendant ZORIALL has been a legal owner, manager, operator and maintainer of one or more of the Properties. Defendant ZORIALL is sued in its capacity as the past or present owner, lessor, and/or manager of one or more of the Properties, and as the entity responsible for committing the acts alleged in this Complaint, or the entity allowing or directing the commission of the acts alleged in this Complaint. Defendant ZORIALL's business address as registered with the Secretary of State's Office is: P.O. Box 691889, Los Angeles CA, 90069. Defendant ZORIALL's members include Defendants KIHAGI (73% owner) and C. MWANGI (27% owner).

19. DOE ONE through DOE FIFTY are sued herein under fictitious names. Plaintiffs do not at this time know the true names or capacities of said Defendants, but pray that the same may be alleged herein when ascertained.

20. At all times herein mentioned, each Defendant was an agent, servant, employee, partner, franchisee and/or joint venturer of each other Defendant, and at all times was acting within the course and scope of said agency, service, employment, partnership, franchise and/or joint venture. Whenever reference is made in this Complaint to any act of "Defendants" each such allegation shall mean that each defendant acted both individually and jointly with other defendants.

21. Actions taken, or omissions made, by Defendants' employees or agents in the course of their employment or agency are considered to be actions or omissions of Defendants for the purposes of this Complaint.

22. Whenever reference is made in this Complaint to any act or omission of "Defendants" such allegation shall mean that each Defendant did or authorized or permitted the act or omission, or recklessly and carelessly failed to supervise, control, or direct other persons who engaged in the act or omission.

23. Defendants are, and at all relevant times were, actively engaged in the business of owning, operating, and managing multi-unit residential rental properties within San Francisco, California.

GENERAL ALLEGATIONS

24. Since June 2013, Defendants have acquired at least nine tenant-occupied, multi-unit, residential rental properties located in the City and County of San Francisco. All of the Properties and the tenancies therein are subject to the Rent Ordinance.

25. Defendants' business model involves buying a residential building whose price reflects its occupation by long-term, rent-controlled tenants, and then unlawfully recovering possession of units as quickly as possible, remodeling the vacant units without the requisite building, electrical and plumbing permits, and then reletting the remodeled units at market rate, maximizing profit from the higher rents.

26. Impatient to wait for typical tenant attrition or vacancy, Defendants, upon acquiring title, unfairly and unlawfully use a number heavy-handed techniques designed to upset, terrorize and ultimately displace as many below-market-rent-paying tenants as possible, thereby circumventing the

legal restrictions and regulations imposed by state law and the Rent Ordinance and defeating their purpose.

27. After acquiring a building, Defendant KIHAGI typically introduces herself to tenants as a representative of the owner or the owner's hired manager, when in fact, she is the owner. In one case, she falsely represented herself as an inspector for Paragon Real Estate. Tenants uniformly describe their initial experience `with Defendants as "intimidating," "perplexing," and/or "disconcerting."

28. Defendants typically impose new house rules that have the effect of upsetting longstanding arrangements enjoyed by tenants with past landlords, such as keeping of pets, use of and access to storage rooms, use of and access to backyards, use of and access to garages, use of and access to laundry facilities, and the storage of large items, such as bicycles. Those tenants who do not accept the new house rules are informed that they refuse "at their peril."

29. Tenants are requested to produce copies of their lease as well as any addendums or agreements or estoppels. Defendants demand information from the tenants including detailed personal information, relationship status with guests/visitors, personal habits, employment, etc. Defendants also conduct intrusive investigations of tenants by contacting neighbors and former landlords in an attempt to obtain personal information about their tenants. In some cases, Defendants have their laborers spy on tenants while they are on site, and report back their observations.

30. Often, Defendants attempt to buy-out long-term tenants. When a tenant rejects the offer, Defendants begin a pattern and practice of harassing and/or retaliating against the tenant in various forms. For example, Defendant KIHAGI told an elderly Guerrero tenant who rejected her buyout effort: "I'm going to kick you out of the house." Using hostile and surreptitious acts, Defendants destroy the tenants' quiet enjoyment and make life miserable for them, effectively bullying the tenants into eventually surrendering their units.

31. Defendants also employ a variety of other harassment tactics, including, but not limited to: interrupting mail service, interrupting gas, electric, water, and cable service, backdating correspondence and notices, failing and refusing to cash rent checks, falsely claiming that rent payments were untimely, violating tenant privacy, sending harassing text messages, abusing the

landlord's right of access by failing to give the required notice before entering, even yelling and screaming at tenants.

32. Defendants also fail to maintain the Properties, fail to timely correct conditions at the properties which are unsafe and threatening to the health and safety of the occupants, and react to tenant complaints with hostility and scorn. For example when a 71-year-old disabled tenant at Guerrero complained to Defendant KIHAGI that something in the building needed fixing, Defendant KIHAGI stated: "F**k off…for the peanuts you pay me I'm not going to do anything." When a tenant at Hill reported a water leak from the unit above him, Defendant KIHAGI told him: "That is not my priority." When the Hill tenant mentioned necessary sidewalk repair, Defendant KIHAGI responded that she was "not putting any money into that building."

33. When tenants have reported unsafe or substandard conditions to the City, Defendants ignore the City's efforts to follow up on the complaints, refuse access to the City's inspectors, refuse to timely perform the required work, perform work without required permits, hire unlicensed workers to perform work requiring a license, and retaliate or threaten retaliation against the tenants for reporting the problems.

34. When the City attempted to conduct noticed building inspections of Defendants' properties in response to the numerous tenant complaints, Defendants refused access, and even hired security guards to intimidate and disrupt the inspections. When tenants at the Guerrero, Hill and Eureka properties invited the City inspectors to enter their units, Defendants retaliated against the cooperative tenants by installing video surveillance equipment aimed at their front doors, decreasing services, and inflicting other forms of retribution.

The 18th Street Property.

35. 3947 18th Street, a tenant-occupied, six-unit, rent-controlled residential building in the Castro neighborhood of San Francisco, was purchased for approximately two million eight hundred thousand dollars ($2,800,000.00) on or about June 19, 2013, by Defendant KIHAGI through Defendant XELAN. 18th Street, also known as Assessor's Block 3584, Lot 086 in the City and County of San Francisco, State of California, is more particularly described in Exhibit A, attached hereto and incorporated as part of this Complaint.

36. On information and belief, at the time Defendants purchased 18th Street, three of the six units were occupied by rent-controlled tenants (Units 1, 2 and 5), while three were vacant (Units 3, 4 and 6).

37. Defendants immediately began a campaign to unlawfully and in bad faith force out the rent-controlled tenants in Units 1 and 5. Defendants initially claimed they were going to create a tenants-in-common ownership structure, and would be conducting buyouts. When the tenants did not accept buyouts, Defendants threatened to evict under the Ellis Act, and take the units off the rental market. Defendants took no steps to invoke the Ellis Act. Instead, Defendants then changed their approach. Under the ruse that Defendants KIHAGI, J. MWANGI and C. MWANGI each needed places to live, and, *notwithstanding the fact that there were three available vacant units at the time*, Defendants took a series of steps towards initiating an Owner Move-In eviction ("OMI") of Unit 5, and a Relative Move-In eviction ("RMI") for Unit 1.

38. The tenant in Unit 1 had lived in the rent-controlled apartment since August 2004 and was paying below-market rent of $1,423.26 per month. After acquiring the property, Defendant KIHAGI began harassing the tenant in Unit 1. Defendant KIHAGI initially introduced herself as a representative of the new owner, inquired about the tenant's cat, and remarked that the tenant should be careful "because someone might let her out."

39. The tenant in Unit 5 had lived in the rent-controlled unit since June 2003 and was paying below-market rent of $1626.61 per month.

40. Before initiating the OMI and RMI, Defendants first had to transfer title to an individual because OMI and RMI evictions are only available to individuals, not LLCs. On or about July 30, 2013, Defendant XELAN transferred title to 18th Street to Defendant KIHAGI. No transfer tax was paid because Defendant KIHAGI, in a sworn affidavit submitted to the San Francisco Assessor/Recorder's Office, claimed to be exempt from transfer tax because the ownership interest before and after the transfer remained exactly the same, meaning that Defendant KIHAGI was the sole member (and 100% owner) of Defendant XELAN.

///

///

Unit 1.

41. On August 15, 2013, Defendant KIHAGI served the tenant in Unit 1 with a 60-day Notice of Termination of Tenancy for a Relative Move-In (RMI) eviction for her alleged sister "Julia Munene" (aka Defendant J. MWANGI), and provided the Rent Board with a copy of the documentation. In the 60-day Notice, Defendant KIHAGI stated that she was the sole owner of record, with a recorded 100% undivided ownership interest, and wanted to move her sister into Unit 1. However, at the time, two remodeled units (Units 3 and 4) and another unit (Unit 6) were vacant and available. Defendant KIHAGI then falsely claimed that she had no ownership interest in any other residential property, intentionally concealing the fact that through her 100% ownership of Defendant XELAN she owned two other multi-unit residential rental properties in San Francisco.[1] In the 60-day notice, Defendant KIHAGI purported to "offer" either of the remodeled units as a replacement unit, but as furnished and for three times the tenant's existing rent-controlled rent.[2] Defendant KIHAGI did not offer vacant Unit 6 as a replacement unit.[3] The Rent Board subsequently recorded against title a Notice of Constraints on Real Property as to Unit 1. The Notice of Constraints on Real Property required Defendant J. MWANGI to reside in this unit as her primary residence until August 15, 2016—three years from the date of service of the RMI paperwork on the tenant in Unit 1. The RMI ultimately failed.

42. Undeterred, Defendants continued their harassing efforts to get rid of the tenant in Unit 1. Defendants first refused to cash the tenant's rent check for October 2013, and then months later complained that the October 2013 rent had not been timely paid. In addition, Defendants confronted the tenant's friend who was visiting from Palm Springs, California. Defendants accused the friend of living in the unit, and went so far as to hire a private investigator to visit the friend's Palm Springs residence and photograph his mailbox. Based on the fact that the friend's name was not printed on the

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[1] As of August 15, 2013, Defendant KIHAGI, through her 100% ownership of Defendant XELAN, owned two multi-unit residential buildings: the six-unit 19th Street property (acquired on June 20, 2013), and the seven-unit Filbert property (acquired on August 14, 2013).

[2] On information and belief, after the tenant in Unit 1 surrendered her unit and left, Units 3 and 4 were rented to new tenants, unfurnished and at a lower rent.

[3] In sworn Declarations later submitted to the Rent Board, Defendant KIHAGI claimed that she moved her sister Christine (aka Defendant C. MWANGI) into Unit 6.

Palm Springs mailbox, Defendants claimed the tenant in Unit 1 was maintaining an illegal sublet in violation of her lease. The tenant in Unit 1, frightened by Defendants' aggressive tactics, and lacking the financial resources to continue defend herself, subsequently surrendered Unit 1 in spring or early summer 2014. To date, on information and belief, Defendant J. MWANGI has not moved-in to Unit 1 or made it her primary residence.

Unit 5.

43. On August 15, 2013, the same day the tenant in Unit 1 was served with her 60-day Notice, Defendant KIHAGI served the tenant in Unit 5 with a 60-day Notice of Termination of Tenancy for an Owner Move-In eviction for herself, and provided the Rent Board with a copy of the documentation. In the 60-day Notice, Defendant KIHAGI stated that she was the sole owner of record, with a recorded 100% undivided ownership interest, and wanted to move herself into Unit 5. However, two remodeled units (Units 3 and 4) and another unit (Unit 6) were vacant and available. Defendant KIHAGI then falsely claimed that she had no ownership interest in any other residential property, intentionally concealing the fact that through her 100% ownership of Defendant XELAN she owned two other multi-unit residential rental properties in San Francisco.[4] In the 60-day notice, Defendant KIHAGI purported to "offer" either of the remodeled units as a replacement unit, but as furnished and for three times the tenant's existing rent-controlled rent.[5] Defendant KIHAGI did not offer vacant Unit 6 as a replacement unit.[6] This OMI eventually failed.

44. Defendant KIHAGI served the tenant in Unit 5 with another OMI in February 2014, and provided the Rent Board with a copy. Defendant KIHAGI's new 60-day notice, dated February 6, 2014, falsely stated: "The Owner ANNE KIHAGI owns no other residential properties. Therefore she owns no other vacant, available, incomparable and comparable units anywhere else to offer you for rent when this Notice expires." In her supporting declaration, Defendant KIHAGI falsely declared

[4] As of August 15, 2013, Defendant KIHAGI, through her 100% ownership of Defendant XELAN, owned two multi-unit residential buildings: the six-unit 19th Street property (acquired on June 20, 2013), and the seven-unit Filbert property (acquired on August 14, 2013).

[5] On information and belief, after the tenant in Unit 1 surrendered her unit and left, Units 3 and 4 were rented to new tenants, unfurnished and at a lower rent.

[6] In sworn Declarations later submitted to the Rent Board, Defendant KIHAGI claimed that she (conveniently) moved her sister Christine (aka Defendant C. MWANGI) into Unit 6.

under penalty of perjury: "I do not own, and my name is not on title to any other real property." Defendant KIHAGI further falsely declared under penalty of perjury: "I am a co-member (with others) of a limited liability company that owns residential properties in San Francisco at 1000-1022 Filbert Street and 4020 19th Street." In fact, title to the Filbert and 19th Street properties were held by Defendant XELAN. As the sole member and 100% owner of Defendant XELAN, Defendant KIHAGI was the 100% owner of the Filbert and 19th Street properties. In addition, Defendant KIHAGI deliberately concealed the fact that she also owned at least 75% of Defendant RENKA which at that time held title to the Eureka property, making Defendant KIHAGI a 75% owner of that multi-unit residential rental property. In her supporting Declaration, Defendant KIHAGI stated that she was currently living in Unit #6 at the 18th Street property with her sister, Christine Mwangi aka Defendant C. MWANGI.

45. When the tenant in Unit 5 did not vacate the unit, Defendant KIHAGI filed an unlawful detainer action in April 2014. In the unlawful detainer action, on June 24, 2014, Defendant KIHAGI filed with the San Francisco Superior Court a Declaration under penalty of perjury, falsely stating in pertinent part: "Furthermore, in addition with [sic] complying with the requirements of Section 37.9(a)(8), I also truthfully informed Defendant [tenant in unit 5] in the Notice of the following information in writing: ...(4) *A description of all residential properties owned, in whole or in part, by the landlord*...for whom possession is being sought." [emphasis added] In fact, Defendant KIHAGI deliberately concealed the other residential properties she owned and controlled. Defendant KIHAGI lost the unlawful detainer action on summary judgment, and was ordered to pay the tenant in Unit 5 nearly $7,000. That did not stop her from continuing her harassment, intimidation, and retaliation against the tenant in Unit 5.

46. On June 28, 2014, Defendant KIHAGI served the tenant in Unit 5 with a third OMI and provided the Rent Board with a copy. In the third OMI Defendant KIHAGI stated that she had been living in Unit #6 with her sister Christine Johnson (aka Christine Mwangi aka Defendant C. MWANGI). Defendant KIHAGI again falsely declared under penalty of perjury, "I do not own, and my name is not on title to any other real property." Defendant KIHAGI again falsely declared under penalty of perjury, "I am a co-member (with others) of a limited liability company that owns

residential properties in San Francisco at 1000-1022 Filbert and 4020 19th Street." In fact, title to the Filbert and 19th Street properties were held by Defendant XELAN. As the sole member and 100% owner of Defendant XELAN, Defendant KIHAGI was in fact the 100% owner of the Filbert and 19th Street properties. In addition, Defendant KIHAGI deliberately concealed the fact that she also owned at least 75% of Defendant RENKA, which by that time held title to the Eureka property and the Guerrero property, making Defendant KIHAGI a 75% owner of both of those multi-unit residential rental properties in San Francisco. In addition, by then, Defendant KIHAGI, as sole member and 100% owner of her newly created entity Jambax 2, LLC, had also acquired the Alabama property, a three-unit residential rental property.

47. The tenant in Unit 5, exhausted and depleted from the battle with Defendants, and lacking the financial resources to continue, surrendered Unit 5 in November 2014. After the tenant in Unit 5 finally relented and surrendered the unit, Defendants inquired whether the tenant would be willing to accept a buyout so Defendant KIHAGI would not be required to live in the unit. The out-of-possession tenant declined to accept the buyout. A Notice of Constraints on Real Property was recorded against title to Unit 5. The Notice of Constraints on Real Property requires Defendant KIHAGI to reside in this unit as her primary residence until June 28, 2017—three years from the date of service of the OMI paperwork on the tenant in Unit 5. To date, more than six months after the tenant in Unit 5 vacated, on information and belief, Defendant KIHAGI has not moved in to Unit 5 and made it her primary residence.

48. On September 14, 2014, after successfully evicting Units 1 and 5, Defendant KIHAGI transferred title to 18th Street to her newly created entity, Defendant NOZARI. In documentation filed with the San Francisco Assessor/Recorder's Office, Defendant KIHAGI claimed to be exempt from transfer tax because she was the sole member (100% owner) of Defendant NOZARI, and the percentage ownership would be exactly the same before and after the transfer.

49. In addition to wrongfully terminating the tenancies of Units 1 and 5 in bad faith through intimidation, harassment and retaliation, Defendants have also performed construction, including building, plumbing, and electrical work, without the required City permits or in excess of the scope of the City permits.

50. Defendants have also denied City inspectors access to the building to conduct lawful inspections. As an example, on March 4, 2015, City inspectors showed up at the 18th Street property for a noticed building inspection. City inspectors were met by Defendant KIHAGI and three bulky, paramilitary-type security guards, who flatly refused access to the 18th Street property.

The Filbert Property.

51. 1000-1022 Filbert, a tenant-occupied, seven-unit, rent-controlled residential building in the Russian Hill neighborhood of San Francisco, was purchased for over three million dollars ($3,025,000.00) on or about August 14, 2013, by Defendant KIHAGI through Defendant XELAN. Filbert, also known as Assessor's Block 0093, Lot 010 in the City and County of San Francisco, State of California, is more particularly described in Exhibit B, attached hereto and incorporated as part of this Complaint. It is comprised of five apartments at 1000-1008 Filbert and an attached two-flat residence at 1020-1022 Filbert.

52. On information and belief, at the time Defendants purchased Filbert, six of the seven units were occupied by rent-controlled tenants.

53. Shortly after Defendants purchased Filbert, Defendants also began harassing tenants into relinquishing their leases. In addition, Defendant KIHAGI, angry that tenants had complained to the San Francisco Department of Building Inspection ("DBI") about unpermitted and unlawful construction, threatened to retaliate by initiating owner move-in and owner relative move-in evictions, and threatened to install video surveillance that invaded her tenants' privacy.

54. By April 2014, as a result of Defendants' unlawful, unfair, deceptive and fraudulent business practices, all the units at Filbert were vacated except one. The lone holdouts were the elderly tenants in Unit 1020: a husband and wife each of whom is older than 65, and the wife's 91-year-old mother, a great-grandmother who is bedridden. Determined to remove the elderly tenants who pay substantially below-market rent as a result of their forty-year tenancy, Defendant KIHAGI began a scorched-earth campaign to harass and bully them out of the unit.

55. On March 27, 2014, Defendants issued a 60-day Notice of Termination of Tenancy to the tenants in Unit 1020 and provided a copy to the San Francisco Rent Board. In the Notice of Termination of Tenancy, Defendant KIHAGI falsely claimed that Unit 1020 was an illegal unit and

that she intended to demolish the unit and "transform the structure back into the Single Family House as it was originally and legally built." In furtherance of her plans to evict the tenants in Unit 1020, Defendant KIHAGI obtained an over-the-counter permit from DBI for the demolition work on March 20, 2014.

56. The elderly tenants in Unit 1020 challenged DBI's issuance of the demolition permit to the Board of Permit Appeals. They demonstrated that 1020-1022 Filbert as originally built in 1912 had always been a two-unit flat and was never a single-family home as Defendant KIHAGI claimed to DBI, the Rent Board, and to the tenants in Unit 1020. The permit to demolish the tenant's unit was suspended on May 23, 2014.

57. Despite the suspended permit, Defendants have engaged in construction, including building, plumbing, and electrical construction, at 1000-1008 and 1022 Filbert without and/or exceeding the scope of City permits. On information and belief, Defendants have undertaken a complete "to the studs" remodel of Unit 1022 without the necessary City permits. Defendant KIHAGI attempted to withdraw or cancel the permit to remove Unit 1020, but DBI insisted on inspecting the building to see if work had already been done. Defendant KIHAGI refused DBI access to conduct inspections.

58. Defendants repeatedly denied City inspectors access to the building to conduct lawful inspections. As an example, on March 5, 2015, City inspectors noticed an inspection of the property, but Defendant KIHAGI and two of her security guards on site flatly denied access.

59. Determined to harass and intimidate the elderly tenants in Unit 1020 to give up possession of their unit, Defendant KIHAGI switched gears, and began making wild and unsubstantiated claims of nuisance and lease violations against this family, in an ongoing effort to bully them into vacating the unit.

The Eureka Property.

60. 195 Eureka Street, a tenant-occupied, five-unit, rent-controlled residential building with additional commercial space in the Castro neighborhood of San Francisco, was purchased for approximately two million two hundred thousand dollars ($2,200,000.00) on or about December 27, 2013, by Defendant KIHAGI through Defendant RENKA. Eureka, also known as Assessor's Block

2693, Lot 021 in the City and County of San Francisco, State of California, is more particularly described in Exhibit C, attached hereto and incorporated as part of this Complaint.

61. On information and belief, at the time Defendants purchased Eureka, at least four of the five residential units were occupied by rent-controlled tenants.

62. In August 2014, Defendants issued new "House Rules" to all tenants which unilaterally purported to change the terms of the tenancies, and reduce services and rights and privileges that the tenants had come to enjoy at Eureka. Defendants back-dated the House Rules by approximately one week to July 30, 2014.

63. Defendant KIHAGI misled tenants at Eureka about their rights to reject the House Rules, warning tenants who did not accept the new House Rules that they did so "at your peril."

64. Defendants violated the right to privacy and abused the landlord's right of entry to the former tenant in Unit 3, when construction workers hired by Defendant KIHAGI illegally entered that tenant's unit without proper notice or consent on or about September 6, 2014.

65. On September 24, 2014, Defendant RENKA transferred 25% of Eureka to Defendant J. MWANGI. Defendants paid no transfer tax, claiming to be exempt because the ownership interest before and after the transfer remained exactly the same. In support, Defendants submitted sworn affidavits to the San Francisco Assessor/Recorder's Office stating that J. MWANGI was a 25% owner of Defendant RENKA.

66. On October 25, 2014, Defendant J. MWANGI served the tenants in Unit 4 at Eureka with a 60-day Notice of Termination of Tenancy for an Owner Move-In eviction, and provided a copy to the Rent Board. Contradicting her earlier sworn statement to the Assessor/Recorder's Office that she was a 25% owner of Defendant RENKA, Defendant J. MWANGI falsely stated under penalty of perjury in her Declaration in support of the 60 Day Notice of Termination of Tenancy, that she owned no other property and that she was not a co-member of Defendant RENKA.[7]

67. Defendant J. MWANGI also stated under penalty of perjury that she intended to move-in to Unit 4 within three months and make it her primary residence. Defendant J. MWANGI's

[7] As a 25% owner of Defendant RENKA, Defendant J. MWANGI was also an owner of the Eureka and Guerrero properties.

declaration was submitted approximately one year after Defendant KIHAGI initiated the RMI eviction of the tenant at 18th Street Unit 1 so Defendant J. MWANGI could make that unit her primary residence for at least thirty-six continuous months.

68. The tenants in Eureka Unit 4 vacated in January 2015. To date, on information and belief, Defendant J. MWANGI has not moved-in to Unit 4 and made it her primary residence.

69. On March 6, 2015—one day after the City's March 5, 2015 inspection of Eureka—Defendant J. MWANGI transferred her 25% interest in Eureka back to Defendant RENKA. Defendants paid no tax on the property transfer by claiming the ownership interest before and after the transfer remained exactly the same, and by submitting documents to the San Francisco Assessor/Recorder's Office, stating that J. MWANGI was a 25% owner of Defendant RENKA.

70. Defendant KIHAGI sent threatening and harassing text messages to the tenants in Unit 2, including text messages in December 2014 in which Defendant KIHAGI threatened to install video surveillance cameras in retaliation for the tenants filing a complaint with the City regarding the front door to the building at Eureka being unsecure and in need of repair.

71. On or about March 5, 2015, the City conducted a noticed code enforcement inspection of Eureka. Defendant KIHAGI refused city inspectors' entry to Eureka, but several tenants gave their consent and requested the city inspectors enter their units. Defendant KIHAGI was present during the inspections, along with two physically imposing security guards, who took photographs and videos of the inspectors, and made their presence known to the inspectors as well as the cooperative tenants.

72. In retaliation against the tenants at Eureka who cooperated with City's inspection, Defendant KIHAGI installed video surveillance cameras the **very next day**, on March 6, 2015, directly outside the tenants' units in the interior hallways of the Eureka property. Defendant KIHAGI installed additional video surveillance cameras directly facing the front and back doors to the tenants' units on or about March 19, 2015.

73. In retaliation against the tenant in Unit 2 for cooperating with the City's inspection and for organizing the tenants at Eureka and at Defendants' other properties, Defendant KIHAGI has continued to send the tenant threatening and harassing text messages, has yelled and screamed at the tenant, and has intimidated, harassed, and violated the tenant's right to quiet enjoyment and the

tenant's right to privacy by contacting the tenant's prior landlord seeking personal information about the tenant. As an example, Defendant KIHAGI sent the tenant in Unit 2 a text message stating "stop being so pathetic" and further warning her not to speak to Defendant KIHAGI's other tenants. In a subsequent encounter, Defendant KIHAGI told the tenant in Unit 2 that she was "watching [her] on the surveillance cameras."

74. In retaliation against the tenants at Eureka for cooperating with the City's inspection, Defendant KIHAGI caused the water service at Eureka to be shut-off in March 2015, shortly after the City's noticed inspection. The water service was disrupted for approximately two days.

75. Defendant KIHAGI has engaged in unlawful, unfair, fraudulent, and deceptive business practices by performing construction, including building, plumbing, and electrical construction at Eureka, including in Unit 4 and Unit 5, without and/or exceeding the scope of City permits. When Defendant KIHAGI is caught by City inspectors for illegal work without permits as a result of tenant complaints, Defendant KIHAGI then obtains a permit after the fact. Instead of conforming her work to the permit, Defendant KIHAGI then performs work exceeding the scope of the permit, engaging in a complete remodel of Units 4 and 5. As a result of additional tenant complaints and City inspections, Defendant KIHAGI has been cited by the City for performing construction work exceeding the scope of her permits. Despite receiving multiple citations, Defendant KIHAGI continues to perform illegal and unsafe electrical, plumbing, and construction work at Eureka.

76. On information and belief, Defendant KIHAGI operates and maintains an illegal dwelling unit in the garage at Eureka, which Defendant KIHAGI uses to house day laborers and other unlicensed construction workers who perform work at Defendant KIHAGI's properties without the proper licenses or City permits.

77. Defendants have also denied City inspectors access to the building to conduct lawful inspections.

The Guerrero Property.

78. 1135-1139 Guerrero Street, a tenant-occupied, six-unit, rent-controlled residential building in the Mission neighborhood of San Francisco, was purchased for approximately two million six hundred thousand dollars ($2,600,000.00) on or about June 13, 2014, by Defendant KIHAGI

through Defendant RENKA. Guerrero Street, also known as Assessor's Block 3646, Lot 014 in the City and County of San Francisco, State of California, is more particularly described in Exhibit D, attached hereto and incorporated as part of this Complaint.

79. On information and belief, at the time Defendants purchased Guerrero, at least four of the six units were occupied by rent-controlled tenants.

80. Shortly after Defendants purchased Guerrero, in July 2014, Defendant KIHAGI issued new "House Rules" to all tenants which unilaterally purported to change the terms of the tenancies, reduce services and rights and privileges that the tenants had come to enjoy at Guerrero.

81. In initial contacts with the Guerrero tenants, Defendant KIHAGI falsely and misleadingly held herself out alternatively as a representative or inspector from Paragon Real Estate, and as the hired manager of the building, concealing her true status as the majority (75%) owner of Defendant RENKA and owner of the Guerrero property.

82. Defendant KIHAGI unilaterally reduced the longstanding services enjoyed by the tenants, by changing the locks to the common backyard to the building on or about August 12, 2014, thereby denying tenants access and use to the backyard and back porch. Tenants at Guerrero were also denied use of storage units at Guerrero as they had been accustomed. Defendant KIHAGI changed the locks to the storage area for the garbage bins, so that tenants could not provide the trash collectors with access to the bins for disposal. Defendant KIHAGI also began diminishing the quality of life at Guerrero by removing decorative finishes and making the place look shabby, run down and dirty. When a tenant complained to Defendant KIHAGI about the conditions of the building, she told them to "F**k off…for the peanuts you pay me I'm not going to do anything."

83. Defendants have also caused the utilities to be shut-off at Guerrero due to failure to pay the utility bills. Defendants' failure to pay the water bill resulted in water to the building being temporarily shut-off on or about August 6, 2014. Defendants' failure to pay the power bill resulted in dangerous and unsafe conditions at Guerrero for two to three weeks in September 2014 due to a lack of lighting and power in the common areas of the building, lack of front outdoor lighting, and inoperable fire alarm and front door bells. Tenants and their visitors had to use their cell phones to provide light in order to safely navigate the stairways, and several individuals "missed a step" and hurt

themselves, although not seriously, in the darkness. During that period of time, at least one tenant could not invite a wheelchair-using friend to her apartment because of the extra difficulty in using the stairs in the extreme darkness.

84. Defendants deprived tenants' access to the mail for approximately two months in December 2014 and January 2015, by failing to replace a "missing" master key used by the postal carrier to gain access to the tenants' mailboxes. As a result, the postal carrier could not deliver the mail to tenants at Guerrero. During this time, all of the tenants were forced to travel to the post office to retrieve their mail, including those tenants who receive their needed prescription medications by mail, such as the 71-year-old disabled tenant who has lived in Unit 1139 for 41 years, and the elderly and disabled couple who have lived in Unit 1139A for 21 years.

85. As is her business practice, Defendant KIHAGI has also terminated, threatened, or attempted to terminate the tenancies of several rent-controlled tenants at Guerrero.

86. On or about November 20, 2014, Defendant KIHAGI slipped under the door to Unit 1137A a "second" warning notice for allegedly harboring an unapproved occupant and for breaking the lock on the back door to the property. This notice was in fact the first such communication to the tenants in Unit 1137A, and was back-dated to approximately November 11, 2014.

87. In December 2014, Defendant KIHAGI accused the tenants of deliberately withholding the full amount of their rent, which had recently increased. Defendant KIHAGI refused to accept any checks for the alleged shortfall, and returned the checks to the tenants.

88. On or about December 20, 2014, Defendant KIHAGI falsely accused the disabled and elderly tenant in Unit 1139 of trumped-up violations of the terms of her lease and the July 2014 House Rules. On information and belief, Defendant KIHAGI made the baseless accusations in retaliation against the tenant for rejecting her $20,000 offer to vacate the unit. After the tenant rejected the offer, Defendant KIHAGI stated: "I'm going to kick you out of the house." This tenant had lived in the rent-controlled unit for forty-one years, since approximately 1974, and was paying below-market rent of $1004.54 per month for a two bedroom apartment. This tenant lives in Unit 1139 with her grandson and godson.

89. Among other things, Defendant KIHAGI has falsely accused this elderly and disabled grandmother, who is a retired school crossing guard of a local elementary school, of the following: housing unauthorized subtenants, using her unit as an unauthorized business and failing to declare that income to the tax authorities, smoking, selling, and distributing marijuana on the premises, harassing the owner's contractors and refusing them access to her unit to make repairs, "deliberately and regularly damaging the Premises and sabotaging the Premises in order to lodge complaints with government agencies as if the conditions were caused by the landlord's neglect, for the purposes of harassing the landlord, and to get financial and undue benefits by making such complaints," "acting in bad faith by complaining about the condition of the Premises to the Owner in order to get upgrades after renting and accepting the Premises with the older conditions complained of," and "showing no respect for the Owner or the applicable laws, statutes, and reasonable rules of conduct and procedures that are known to you, and have always been known to you during your tenancy." Defendant KIHAGI refused to cash the tenant's December 2014 and January 2015 rent checks.

90. Defendant KIHAGI has harassed tenants, abused the landlord's right to access tenants' units, and violated the tenants' right to quiet enjoyment and to privacy at Guerrero, by entering or having her contractors or hired laborers enter or attempt to enter tenants' units without 24-hours' advanced notice as required by law. Specifically, Defendant KIHAGI twice entered the unit of the tenants in Unit 1139A between June 2014 and December 2014, and on at least one occasion entered the unit of the elderly and disabled tenant in Unit 1139, without the proper 24-hours' notice. Defendant KIHAGI also demands excessive access to tenants' units to complete minor repairs, by putting tenants on notice that she intends to access their units for entire days, for several days in a row or longer, for simple repairs. As a result, tenants have been forced to miss work or school, to be present when Defendant KIHAGI or her workers enter their units.

91. On March 4, 2015, the City conducted a noticed code enforcement inspection of Guerrero. Defendant KIHAGI defiantly refused city inspectors' entry to Guerrero, but several tenants gave consent and invited City inspectors into their units. Defendant KIHAGI was present with three physically imposing bodyguards, who loudly disrupted the inspection, verbally accosted the city inspectors and accused them of trespassing, and made their menacing presence felt and known to the

city inspectors and the cooperating tenants during the inspections by lurking in the hallways directly outside the tenants' units.

92. As a result of the City's inspection on March 4, 2015, Defendants received multiple Notices of Violation for habitability and plumbing issues throughout the building.

93. In retaliation against the tenants at Guerrero who cooperated with City's inspection, and in retaliation against the tenant in Unit 1139 who was fighting the unlawful detainer action brought against her, Defendant KIHAGI installed video surveillance cameras on or about March 23, 2015, directly facing the front doors to Units 1139 and 1139A, units occupied by elderly and disabled long-term tenants.

94. Defendant KIHAGI has engaged in unlawful, unfair, fraudulent, and deceptive business practices by maintaining an unsafe building in violation of the health and safety codes.

95. Defendants have also denied City inspectors access to the building to conduct lawful inspections, including inspections of Unit 1137.

The Hill Property.

96. 69-75 Hill Street, a tenant-occupied, five-unit, rent-controlled residential building in the Castro neighborhood of San Francisco, was purchased for approximately two million five hundred thousand dollars ($2,500,000.00) on or about July 22, 2014, by Defendant ZORIALL. Hill, also known as Assessor's Block 3617, Lot 036 in the City and County of San Francisco, State of California, is more particularly described in Exhibit E, attached hereto and incorporated as part of this Complaint.

97. On information and belief, at the time Defendants purchased Hill, all five units were occupied by rent-controlled tenants.

98. Shortly after Defendants purchased Hill, Defendant KIHAGI began slipping back-dated correspondence under the doors to the tenants' units. On or about August 1, 2014, "Anna Swain" aka Defendant KIHAGI, issued a Notice of Change of Ownership and Management under the door to tenants' units, which was back dated to approximately June 26, 2014. On or about August 10, 2014, Defendant KIHAGI issued a 30-day notice of Change in Terms of Tenancy under the door to tenants' units, also back-dated to June 26, 2014. On or about August 15, 2014, Defendant KIHAGI issued new

"House Rules" under the door to the tenants' units, which unilaterally purported to change the terms of the tenancies, and reduce services and rights and privileges that the tenants had come to enjoy at Hill. The House Rules were also back-dated to June 26, 2014.

99. Defendant KIHAGI unilaterally reduced the longstanding services enjoyed by the tenants, by demanding tenants remove items from storage in the garage in November 2014, and by terminating and/or attempting to terminate the use of the parking garage for the tenants in Units 73 and 73a in December 2014 and January 2015. The leases for Units 73 and 73a provided tenants the use of the parking garage.

100. Defendant KIHAGI also began diminishing the quality of life at Hill by reducing the number of trash and recycling bins to one each, for nine tenants, on or about August 2, 2014, resulting in an overflow of recyclable materials in the garage. When asked in August 2014 by the tenant in Unit 71 about necessary sidewalk repair, Defendant KIHAGI responded that she was "not putting any money into that building."

101. Defendants failed to timely perform needed repairs at Hill, specifically by failing to fix a leaking water heater in a timely manner in September 2015.

102. Defendants caused the power to the common areas at Hill to be shut-off for approximately five days in November 2014 and again in approximately February 2015, resulting in dangerous and unsafe conditions due to a lack of lighting in the exterior common areas of the building, in the passageway leading to the garbage facilities, in the stairway, and garage. The lack of power also disrupted the tenants' use of the shared, third-party provided laundry facilities located the garage.

103. Defendants disrupted the tenants' access to and security in their mail for approximately one month, by installing a 6-unit mailbox for the 5-unit building on or about November 17, 2015, and failing to provide tenants with keys to their individual boxes.

104. On March 4, 2015, the City conducted a noticed building inspection of Hill. Defendant KIHAGI and her three security guards refused City inspectors' entry to the property, and physically blocked the front gate to the building. The tenant in Unit 71 ultimately provided access to the building by coming out of his unit, walking past Defendant KIHAGI, and opening the gate to grant City inspectors access. All of the tenants gave their consent and requested the City inspectors enter their

units. Defendant KIHAGI along with her three security guards, remained on premises for the duration of the inspections, took photographs and videos of the inspectors, and made their presence known to the inspectors as well as the cooperative tenants.

105. Defendant KIHAGI swiftly began retaliating against the tenants who cooperated with the City inspectors. During the inspection, Defendant KIHAGI pointed to Unit 73, one of the cooperating tenants' units, and said in earshot of the tenant, "I'm going to move my sister in there."

106. As another example of Defendant KIHAGI's intimidation tactics, during the inspection, the tenant in Unit 71 wanted to show the inspectors the garage commonly used by the tenants for laundry and storage. When the tenant attempted to access the garage via the back stairway from his unit, he was met by Defendant KIHAGI's security guards who refused him access to the garage.

107. In retaliation for the tenants' cooperating with the City, within hours after the inspection, Defendant KIHAGI's workers showed up with large quantities of construction materials and, under the direction of Defendant KIHAGI, physically boarded up access to the laundry room and garage from the rear stairs and changed the locks to the main garage door, thereby preventing tenants from accessing the garage, laundry, and their personal property such as bicycles and the vehicle belonging to the tenant in Unit 73A. Defendant KIHAGI told the cooperative tenants, "the laundry is done," and, within earshot of tenants, placed a telephone call to have video surveillance cameras installed at Hill.

108. In retaliation against the tenants for cooperating with the City's inspection, Defendant KIHAGI installed the video surveillance cameras at Hill.

109. On March 13, 2015, multiple tenants at Hill sent letters to Defendant KIHAGI and Defendant ZORIALL outlining the harassment, retaliation, and violations of the right to quiet enjoyment they had experienced, and demanding that it stop.

110. On March 19, 2015, Defendant ZORIALL transferred 27 percent of the Hill Property to Defendant C. MWANGI. Defendants paid no tax on the property transfer by claiming the ownership interest before and after the transfer remained the same, and by submitting documents to the San Francisco Tax Assessor's Office stating that C. MWANGI was a 27% owner of Defendant ZORIALL.

111. In retaliation against the tenants for cooperating with the City's inspection and for demanding that the harassment against them stop, on March 20, 2015, Defendant KIHAGI brought a tow truck to Hill and had the vehicle belonging to the tenant in Unit 73A towed from the garage and into the street. The tenant in Unit 71 called the Police. When the tenant in Unit 69 began taking photographs of the towing incident from the front steps of Hill, Defendant KIHAGI warned him that loitering in the public space and common areas was prohibited, forcing the tenant to relocate to the street to avoid additional confrontation. At the same time, a pickup truck with two of Defendant KIHAGI's workers arrived at Hill, removed the shared third-party-provided laundry machines from the garage, and boarded-up access to the garage from the outside and installed a "private property" sign warning "all unauthorized vehicles will be impounded at owner's expense."

112. During the March 20, 2015 incident, Defendant KIHAGI continued with her harassment and intimidation of tenants by taking multiple photographs of the tenants in Units 69 and 71, by demanding that the vehicle belonging to the tenant in Unit 73A be removed from the garage within twenty-four hours, and by warning the tenants that she was looking forward to getting to know them "far better than originally intended."

113. In the evenings of March 25, 2015, and April 2, 2015, Defendant KIHAGI posted a notice of intent to enter multiple units at Hill the following morning for the purpose of making repairs related to violations found by City inspectors during the March 4, 2015 inspection. Defendant KIHAGI back-dated each notice by one day and failed to provide 24-hours' notice as required by law.

114. Defendant KIHAGI violated the Hill tenants' right to quiet enjoyment by repeatedly posting notices of intent to enter multiple units at Hill in early April, and failing to appear or have her workers appear to perform repairs on the dates stated in the notices. As a result, multiple tenants needlessly missed work in their attempts to ensure they would be home when Defendant KIHAGI or her workers entered their units to perform repairs.

115. The tenant in Unit 73, tired of living with the harassment by Defendant KIHAGI and fearful that an owner move-in eviction was imminent after hearing Defendant KIHAGI threaten to move-in her sister to his unit, surrendered the unit on April 15, 2015.

116. On April 17, 2015, Defendant C. MWANGI served the tenant of 71 Hill Street with a 60-day Notice of Termination of Tenancy for an Owner Move-In eviction. The tenant had lived in Unit 71 since 1993 and was paying below-market rent of $1,261.35. In a declaration submitted under penalty of perjury in support of the 60-day Notice of Termination of Tenancy, Defendant C. MWANGI stated that she lived at 18th Street Unit 6, that she owned 27% of Hill, that Defendant ZORIALL owned 73% of Hill, and that she intended to move-in to Unit 71 within three months and make it her permanent residence for at least thirty-six continuous months. Defendant C. MWANGI also stated that Unit 73 (which had been surrendered by the previous tenant only two days earlier due to Defendants' hostile and bullying tactics) was not comparable, that she did not want to move into it or designate it as the owner's unit for the future, and that it would not be available to offer to the tenants in Unit 71 for four to five months as the owners intended to renovate the unit. Defendant C. MWANGI offered Unit 73 to the tenants in Unit 71, once it was renovated in four to five months, for a monthly rent of $4,250.00. Defendant C. MWANGI also stated that she owned a single-family house in Fremont, California, where her mother resides, and that she was a less than five percent owner of Katoka 5, LLC, which owned 26th Street. Defendant C. MWANGI further stated under penalty of perjury that she did not own, or co-own, any vacant, available, comparable or incomparable units anywhere else.

117. As a result of the City's inspection on March 4, 2015, Defendants received multiple Notices of Violation for habitability, electrical, and plumbing issues throughout the building.

118. Defendant KIHAGI has engaged in unlawful, unfair, fraudulent, and deceptive business practices by performing construction at Hill without obtaining the necessary City permits. Specifically, Defendant KIHAGI has begun construction on an illegal dwelling unit in the basement and garage space.

119. Defendants have also denied City inspectors access to the building to conduct lawful inspections, including inspections of the basement and garage spaces.

The Church Property

120. 650 Church Street, a tenant-occupied, twelve-unit, rent-controlled residential building in the Castro/Mission/Dolores neighborhood of San Francisco, was purchased for approximately six

million six hundred thousand dollars ($6,600,000.00) on or about January 21, 2015, by Defendant KIHAGI through Defendant NOZARI. Church Street, also known as Assessor's Block 3585, Lot 007 in the City and County of San Francisco, State of California, is more particularly described in Exhibit F, attached hereto and incorporated as part of this Complaint.

121. On information and belief, at the time Defendants purchased the Church property most units were occupied by rent-controlled tenants.

122. Shortly after purchasing the Church property, in February 2015, Defendant KIHAGI issued new "House Rules," which unilaterally purported to change the terms of the tenancies, and reduce services and rights and privileges that the tenants had come to enjoy at Church.

123. Shortly after purchasing the Church property, in February 2015, Defendant KIHAGI began eviction proceedings against a tenant who is a US Army veteran and is currently being treated for advanced stage prostate cancer.

124. Defendants also began their typical campaign of harassment against at least some tenants. For example, the veteran tenant's February 2015 rent check was uncashed for the entire month. He sent her several more checks which she refused to cash. In another example, the same tenant received a letter from Defendant KIHAGI falsely accusing him of having an "illegal sublet." A neighboring tenant received the same false accusation.

125. The veteran tenant also received a harassing letter from Defendants' attorney, Karen Uchiyama, accusing him of "defaming" Defendant KIHAGI when he spoke to local newspaper, "the Castro Courier."

126. Defendants installed video surveillance equipment with cameras pointing at tenants' front doors. The veteran tenant described the surveillance camera's presence as "intrusive" and "disturbing."

127. Defendants' actions described above in relation to specific properties are merely examples. At the time of trial, Plaintiffs will move the Court to amend this Complaint to include any conditions or acts discovered after the filing of this Complaint.

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FIRST CAUSE OF ACTION

VIOLATION OF SAN FRANCISCO ADMINISTRATIVE CODE BY PLAINTIFF CITY AND COUNTY OF SAN FRANCISCO AGAINST ALL DEFENDANTS
(San Francisco Administrative Code Sections 37.10B *et seq.*)

128. SAN FRANCISCO hereby incorporates by reference all preceding paragraphs of this Complaint and make them a part of this First Cause of Action, as though fully set forth herein.

129. SAN FRANCISCO brings this action pursuant to San Francisco Administrative Code Section 37.10B(c)(3)-(5).

130. Defendants are now, and for a considerable period of time have been, unlawfully harassing their tenants in violation of Administrative Code Section 37.10B(a).

131. Defendants unlawfully committed numerous acts prohibited by Administrative Code Section 37.10B, including, but not limited to the following: interrupted, terminated or failed to provide housing services as required by state and local health and safety laws, failed to perform repairs and maintenance required by state and local health and safety laws, failed to exercise due diligence in performing repairs and maintenance, abused the landlord's right to access into rental housing units, influenced or attempted to influence a tenant to vacate a rental housing unit through fraud, intimidation or coercion, attempted to coerce tenants to vacate with offers of payments to vacate accompanied by threats or intimidation,

132. SAN FRANCISCO has no adequate remedy at law in that damages are insufficient to protect the public from the harm caused by the conduct described herein.

133. Unless said conduct is ordered abated, other tenants and occupants, and other residents of SAN FRANCISCO will suffer irreparable injury and damage, in that said conduct will continue to be injurious to the continuous enjoyment of life and the free use of property of said residents.

134. By their conduct, Defendants have repeatedly violated, disobeyed, omitted, neglected, and refused to comply with the San Francisco Administrative Code, and should be enjoined as contemplated by San Francisco Administrative Code Section 37.10B(c)(4), and ordered to pay statutory damages of $1,000 per offense, as set forth in San Francisco Administrative Code Section 37.10B(c)(5).

135. Because Defendants' conduct was despicable and carried out with a willful and conscious disregard for the rights of the tenants and their safety, and was committed with malice, oppression and fraud within the meaning of California Civil Code Section 3294(c), Defendants should also be ordered to pay punitive damages as provided by San Francisco Administrative Code Section 37.10B(c)(5).

SECOND CAUSE OF ACTION

VIOLATIONS OF THE STATE HOUSING LAW BROUGHT BY PLAINTIFF CITY AND COUNTY OF SAN FRANCISCO AGAINST ALL DEFENDANTS (California Health & Safety Code Sections 17920-17980.9)

136. SAN FRANCISCO hereby incorporates by reference all preceding paragraphs of this Complaint and make them a part of this Second Cause of Action, as though fully set forth herein.

137. Defendants now are, and for a considerable period of time heretofore and at all times herein mentioned have been, maintaining and operating properties in the City and County of San Francisco as substandard buildings within the meaning of Health and Safety Code Section 17920.3.

138. Defendants are now, and for a considerable period of time and at all times herein mentioned have been maintaining the 18th Street, Eureka, Guerrero, Filbert and Hill properties in violation of San Francisco Building Code Sections 102A and 103A and/or San Francisco Housing Code Sections 204(c) and 1001. Defendants have repeatedly failed to file and secure requisite permits before commencing construction at the above properties and/or performed work exceeding the scope of issued permits, in violation of the aforementioned sections of the San Francisco Building Code. Defendants also perform work exceeding the scope of any issued permits. Defendants also fail to properly maintain the Properties and/or fail to timely cure cited conditions, in violation of the aforementioned section of the San Francisco Housing Code.

139. The conditions creating said substandard buildings are Defendants' repeated refusal to obtain the proper building, plumbing and electrical permits prior to performing the construction work. The unpermitted work, performed by unlicensed workers, is a violation of the San Francisco Building Code, Sections 102A and 103A.

140. Performing electrical, plumbing or other work without permits or in excess of permits, creates unsafe and substandard buildings, public nuisances, and conditions which substantially endanger the health and safety of occupants and neighbors and the general public.

141. When Defendants are caught by the City, and Notices of Violation are issued, they obtain some permits, but then will perform work in excess of the permits, have unlicensed workers perform work, refuse to provide access to the subject properties for inspection by City inspectors, and fail to timely abate cited violations.

142. At all times herein mentioned Defendants had notice and knowledge that 18th Street, Eureka, Guerrero, Filbert and Hill properties constituted public nuisances because they were served with the administrative notices issued by DBI, but failed to take reasonable steps to timely abate the nuisances.

143. Plaintiffs have no adequate remedy at law in that damages are insufficient to protect the public from the harm caused by the conditions described herein.

144. Unless said substandard conditions are abated, the occupants of the properties and the residents and citizens of the City and County of San Francisco, will suffer irreparable injury and damage, in that said conditions will continue to endanger the health and safety of the occupants of the properties and the occupants of the adjacent properties and the general public.

145. Unless Defendants are enjoined from continuing their practices of performing construction without required and proper permits, they will continue to endanger the health and safety of the occupants of the properties and the occupants of the adjacent properties and the general public.

146. Defendants should be ordered to pay all SAN FRANCISCO's reasonable and actual costs, including, but not limited to, inspection costs, investigation costs, enforcement costs, attorney fees or costs, and all costs of prosecution as provided by California Health and Safety Code Section 17980.7(d).

147. Defendants should also be ordered not to claim any deduction with respect to state taxes for interest, taxes, expenses, depreciation, or amortization paid or incurred with respect to the properties mentioned herein for the taxable years of Defendants' violations of the State Housing Law as provided by California Health and Safety Code Section 17980.7(b)(1).

THIRD CAUSE OF ACTION

FOR GENERAL PUBLIC NUISANCE BY PLAINTIFF PEOPLE OF THE STATE OF CALIFORNIA AGAINST ALL DEFENDANTS (Civil Code Sections 3479, 3480; Code of Civil Procedure Section 731)

148. Plaintiff hereby incorporates by reference all preceding paragraphs of this Complaint and make them a part of this Third Cause of Action, as though fully set forth herein.

149. Plaintiff brings this cause of action pursuant to Civil Code Sections 3479 and 3480.

150. As described above, Defendants are now, and for a considerable period of time, and all times herein mentioned have been, maintaining the aforementioned properties in a manner as to constitute a continuing public nuisance within the meaning of Civil Code Sections 3479 and 3480. The conditions giving rise to said public nuisances are the violations of the municipal codes at the properties. The practices described above are injurious to the health and safety of the residents and the community, are offenses to the senses, and interfere with the comfortable enjoyment of life and properties. The practices described above also affect a considerable number of persons and an entire community or neighborhood.

151. At all times herein mentioned, Defendants knew or should have known that the aforementioned properties were being maintained as public nuisances, but failed to take reasonable steps to timely abate the nuisance.

152. Unless enjoined, Defendants will continue to operate the properties in the above-described public nuisance conditions.

153. Plaintiffs have no adequate remedy at law in that damages are insufficient to protect the public from the harm caused by the conditions described above. Unless injunctive relief is granted to enjoin Defendants, the public will suffer irreparable injury and damage.

154. Unless this nuisance is abated, the community, neighborhood, and the residents and citizens of the City and County of San Francisco will suffer irreparable injury and damage, in that said conditions will continue to be injurious to the enjoyment and the free use of the life and property of said residents and citizens of the City and County of San Francisco and the People of the State of California.

FOURTH CAUSE OF ACTION

FOR UNFAIR AND UNLAWFUL BUSINESS PRACTICES BROUGHT BY PLAINTIFF PEOPLE OF THE STATE OF CALIFORNIA AGAINST ALL DEFENDANTS (California Business and Professions Code §§ 17200-17210)

155. The PEOPLE hereby incorporate by reference all preceding paragraphs of this Complaint and make them part of this Fourth Cause of Action, as though fully set forth herein.

156. City Attorney Dennis J. Herrera, acting to protect the public as consumers and competitors from unlawful, unfair, and fraudulent practices, brings this cause of action in the public interest in the name of the PEOPLE, pursuant to Business and Professions Code §§ 17200-17209.

157. The violations of law described herein, including the illegal harassment of rent-controlled tenants, the illegal evictions of rent-controlled tenants, and the illegal remodeling of units without first obtaining required permits. By not following the rules under the Rent Ordinance, Defendants have unlawfully and unfairly circumvented the protections of the Rent Ordinance, deprived SAN FRANCISCO of affordable housing units, and have had a detrimental effect on the City's dwindling inventory of affordable housing stock.

158. The violations of law described herein have been and are being carried out wholly, or in part, within the City and County of San Francisco.

159. The actions of Defendants are in violation of the laws and public policies of SAN FRANCISCO and the State of California, and are inimical to the rights and interest of the general public. Unless enjoined and restrained by an order of this Court, Defendants will continue to engage in the unlawful and unfair acts and courses of conduct described herein.

160. Through the conduct described above, Defendants have engaged, or aided and abetted in unlawful, unfair, and/or fraudulent business practices prohibited by California Business and Professions Code §§ 17200-17209 including but not limited to the following:

- Harassing and intimidating lawful tenants in violation of San Francisco Administrative Code Section 37.10B;
- Retaliating against tenants in violation of San Francisco Administrative Code Section 37.9 and Civil Code Section 1942.5;
- Abusing the lawful right of entry in violation of Civil Code Section 1954;

- Remodeling and doing construction work without first obtaining the requisite building, plumbing and electrical permits;
- Remodeling and doing construction work in excess of permits obtained;
- Refusing to comply with numerous Notices and Orders issued by the San Francisco Department of Building Inspection;
- Refusing to allow City inspections on complaints of work without permit;
- Refusing to allow City inspections to provide oversight to work allegedly being performed under issued permits;
- Providing false information to the San Francisco Rent Board under penalty of perjury in an attempt to unlawfully take possession of a rent-controlled unit;
- Providing false information to the San Francisco Assessor/Recorder's Office under penalty of perjury;
- Providing false information to the Superior Court under penalty of perjury in order to unlawfully take possession of a rent-controlled unit;
- Impeding, interrupting, and attempting to disrupt lawful and noticed health and safety inspections; and
- Refusing and failing to register their businesses with the City and County of San Francisco as required by Business and Tax Regulation Code Section 853.

161. The PEOPLE are informed and believe, and based upon such information and belief, allege that as a direct result of these acts and omissions, Defendants have received or will receive income and other benefits which they would not have received if they had not engaged in the violations of Business and Professions Code §§ 17200 *et* seq. described in this Complaint.

162. The PEOPLE have no adequate remedy at law in that damages are insufficient to protect the public from the present danger and harm caused by the conditions described in this Complaint.

163. The PEOPLE are informed and believe, and based on such information and belief, allege that unless enjoined and restrained Defendants will continue to engage in unfair and unlawful business practices.

164. Unless injunctive relief is granted to enjoin Defendants' unfair and unlawful business practices, the PEOPLE will suffer irreparable injury and damage.

165. Defendants are subject to civil penalties of up to $2,500 per violation of the Business and Professions Code for each act of unfair or unlawful competition, pursuant to Business and Professions Code § 17206, and an additional $2,500 per violation of the Business and Professions Code for each act of unfair or unlawful competition directed at an elderly or disabled person.

PRAYER

WHEREFORE, Plaintiffs pray that:

1. Defendants be declared to have violated the San Francisco Administrative Code, Health & Safety Code, Civil Code, and Business and Professions Code §§ 17200-17209;

2. Pursuant to Civil Code Sections 526 and 731, the Court issue a permanent injunction, ordering Defendants to permanently cease the unlawful harassment of their tenants, cease the unlawful evictions of rent-controlled tenants, cease making baseless accusations against tenants, obtain all required permits to remove all illegally performed construction, obtain all required permits to legalize work illegally performed, abate all health and safety code violations, immediately register the businesses with the City and County of San Francisco, and cease all unlawful or unfair business practices in San Francisco, California;

3. Defendants, and each of them, their agents, officers, managers, representatives, employees, and anyone acting on their behalf, and their heirs and assignees, be preliminarily and permanently enjoined from maintaining, operating, conducting, using, occupying, or in any way permitting the use of any of their Properties in San Francisco, California, until the Property conforms to law;

4. Defendants, and each of them, their agents, officers, managers, representatives, employees, and anyone acting on their behalf, and their heirs and assignees, be preliminarily and permanently enjoined from maintaining, operating, conducting, using, occupying, or in any way permitting the use of any of their Properties in San Francisco, California, as an unfair and/or unlawful business practice in violation of California Business and Professions Code §§ 17200-17209.

5. Defendants, and each of them, their agents, officers, managers, representatives, employees, and anyone acting on their behalf, and their heirs and assignees, be ordered to cause all of the Properties and all parts thereof, to conform to law, and to maintain each in such conformity at all times;

6. Pursuant to San Francisco Administrative Code Section 37.10B, Defendants, and each of them, be ordered to pay statutory damages of $1,000 for each and every violation of Administrative Code Section 37.10B;

7. Pursuant to San Francisco Administrative Code Section 37.10B, Defendants, and each of them, be ordered to pay punitive damages;

8. Pursuant to Business and Professions Code § 17206, Defendants, and each of them, be ordered to pay a civil penalty of $2,500 for each unfair and/or unlawful business act alleged in this Complaint;

9. Pursuant to Business and Professions Code § 17206.1, Defendants, and each of them, be ordered to pay an additional civil penalty of $2,500 for each unfair and/or unlawful business act alleged in this Complaint, which was directed at an elderly or disabled person;

10. Pursuant to Business and Professions Code § 17203, Defendants, and each of them, be ordered to make restitution of any money or property, real or personal, obtained through their unfair and/or unlawful business acts and practices;

11. Defendants, and each of them, be preliminarily and permanently enjoined from spending, transferring, encumbering, or removing from California any real or personal property or money received from the Property or in payment for the unfair and unlawful acts alleged in this Complaint;

12. Plaintiffs be authorized to have a lien upon the Property in the amount expended pursuant to said authority and to have judgment in said amount against said Defendants, and their successors and assigns;

13. Plaintiffs be authorized to record an Abstract of Judgment that constitutes a prior lien over any lien that any Defendants in this case may hold on the Property;

14. Defendants, and each of them, be ordered to pay Plaintiffs' costs of enforcement pursuant to California Health & Safety Code Section 17980.7(d) and San Francisco Administrative Code Section 37.10B(c)(5);

15. Defendants, and each of them, be ordered to pay Plaintiffs' reasonable attorney's fees and costs incurred in bringing this civil action, pursuant to California Health & Safety Code Section 17980.7(d) and San Francisco Administrative Code Section 37.10B(c)(5); and

16. Other and further relief be ordered as this Court should find just and proper.

Dated: 6-4-15

DENNIS J. HERRERA
City Attorney
YVONNE R. MERE
Chief Attorney
MICHAEL S. WEISS
VICTORIA L. WEATHERFORD
Deputy City Attorneys

By: _____
MICHAEL S. WEISS
Attorneys for Plaintiffs
CITY AND COUNTY OF SAN FRANCISCO and
PEOPLE OF THE STATE OF CALIFORNIA

INDEX TO EXHIBITS

Exhibit	Description
A	Property Description of 3947 18th Street
B	Property Description of 1000-1022 Filbert Street
C	Property Description of 195 Eureka Street
D	Property Description of 1135-1139 Guerrero Street
E	Property Description of 69-75 Hill Street
F	Property Description of 650 Church Street

EXHIBIT "A"

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Beginning at a point on the Southerly line of 18th Street, distant thereon 280 feet Easterly from the Easterly line of Noe Street; running thence Easterly along the said Southerly line of 18th Street 25 feet; thence at a right angle Southerly 114 feet; thence at a right angle Westerly 25 feet; and thence at a right angle Northerly 114 feet to the Southerly line of 18th Street and the point of beginning.

Being a portion of Mission Block No. 106.

Assessor's Lot 086; Block 3584

EXHIBIT "B"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN FRANCISCO, COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

BEGINNING at a point of intersection of the Northerly line of Filbert Street and the Westerly line of Jones Street; running thence Westerly along said line of Filbert Street 106 feet and 3 inches; thence at a right angle Northerly 52 feet; thence at a right angle Easterly 36 feet and 3 inches; thence at a right angle Southerly 25 feet; thence at a right angle Easterly 70 feet to the Westerly line of Jones Street; thence at a right single Southerly along said line of Jones Street 27 feet to the point of beginning.

BEING part of 50 Vara Block No. 237.

APN: Lot 10, Block 93

EXHIBIT "C"

The property referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

An undivided 25% interest, fractional interest in Lot 021 and Block 2693, commencing at the point of intersection of the northerly line of 19th Street and the easterly line of Eureka Street; running thence easterly and along the said line of 19th Street 25 Feet; Thence at a right angle northerly 75 Feet; thence at a right angle westerly 25 feet to the easterly line of Eureka Street; thence at a right angle southerly along said line of Eureka Street 75 Feet to the point of commencement.

Being part of Horner's Addition, Block No. 207.

EXHIBIT "D"

Legal Description

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Commencing at a point on the Easterly line of Guerrero Street distant thereon 42 feet 9 inches Northerly from the Northerly line of Elizabeth Street; running thence Northerly and along said Easterly line of Guerrero Street 30 feet; thence at a right angle Easterly 100 feet; thence at a right angle Southerly 30 feet; thence at a right angle Westerly 100 feet to the Easterly line Guerrero Street and the point of commencement.

Being part of Horner's Addition Block No. 11

Assessor's Lot 14; Block 3646

EXHIBIT "E"

DESCRIPTION OF THE LAND

THE LAND REFERRED TO HEREIN IS SITUATED IN SAN FRANCISCO COUNTY, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Beginning at a point on the Southerly line of Hill Street, distant thereon 130 feet Easterly from the Easterly line of Guerrero Street; running thence Easterly along said line of Hill Street, 40 feet; thence at a right angle Southerly 114 feet; thence at a right angle Westerly 40 feet; thence at a right angle Northerly 114 feet to the point of beginning.

Being a portion of Mission Block No. 74.

APN: Lot 036; Block 3617

PROPERTY ADDRESS: 69-75 HILL STREET, SAN FRANCISCO, CALIFORNIA 94110

EXHIBIT "F"

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Commencing at the point of intersection of the Southerly line of Hancock Street with the Westerly line of Church Street; running thence Southerly along said line of Church Street 28 feet 4 inches; thence at a right angle Westerly 100 feet; thence at a right angle Northerly 26 feet 4 inches to the Southerly line of Hancock Street; and thence Easterly along said line of Hancock Street 100 feet to the Westerly line of Church Street and the point of Commencement.

Being a portion of Mission Block No. 93.

Assessor's Lot 007; Block 3585

ORIGINAL

CM-010

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):
DENNIS J. HERRERA, City Attorney (SBN 139669)
YVONNE R. MERE, Chief Attorney (SBN 173594)
MICHAEL S. WEISS, Deputy City Attorney (SBN 168378)1
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San Francisco, CA 94102
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ATTORNEY FOR (Name): Plaintiffs CCSF and People of the State

FOR COURT USE ONLY

FILED
Superior Court of California
County of San Francisco
JUN 04 2015
CLERK OF THE COURT
BY: _____ Deputy Clerk

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN FRANCISCO
STREET ADDRESS: 400 McAllister Street
MAILING ADDRESS: 400 McAllister Street, Room 103
CITY AND ZIP CODE: San Francisco, CA 94102
BRANCH NAME: SAN FRANCISCO

CASE NAME: CITY AND COUNTY OF SAN FRANCISCO v. ANNE KIHAGI

CASE NUMBER: CGC 15-546152
JUDGE:
DEPT:

CIVIL CASE COVER SHEET
[X] Unlimited (Amount demanded exceeds $25,000) [ ] Limited (Amount demanded is $25,000 or less)

Complex Case Designation
[ ] Counter [ ] Joinder
Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)

Items 1-6 below must be completed (see instructions on page 2).

1. Check **one** box below for the case type that best describes this case:

Auto Tort
- [ ] Auto (22)
- [ ] Uninsured motorist (46)

Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort
- [ ] Asbestos (04)
- [ ] Product liability (24)
- [ ] Medical malpractice (45)
- [ ] Other PI/PD/WD (23)

Non-PI/PD/WD (Other) Tort
- [ ] Business tort/unfair business practice (07)
- [ ] Civil rights (08)
- [ ] Defamation (13)
- [ ] Fraud (16)
- [ ] Intellectual property (19)
- [ ] Professional negligence (25)
- [ ] Other non-PI/PD/WD tort (35)

Employment
- [ ] Wrongful termination (36)
- [ ] Other employment (15)

Contract
- [ ] Breach of contract/warranty (06)
- [ ] Rule 3.740 collections (09)
- [ ] Other collections (09)
- [ ] Insurance coverage (18)
- [ ] Other contract (37)

Real Property
- [ ] Eminent domain/Inverse condemnation (14)
- [ ] Wrongful eviction (33)
- [ ] Other real property (26)

Unlawful Detainer
- [ ] Commercial (31)
- [ ] Residential (32)
- [ ] Drugs (38)

Judicial Review
- [ ] Asset forfeiture (05)
- [ ] Petition re: arbitration award (11)
- [ ] Writ of mandate (02)
- [ ] Other judicial review (39)

Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403)
- [ ] Antitrust/Trade regulation (03)
- [ ] Construction defect (10)
- [ ] Mass tort (40)
- [ ] Securities litigation (28)
- [ ] Environmental/Toxic tort (30)
- [ ] Insurance coverage claims arising from the above listed provisionally complex case types (41)

Enforcement of Judgment
- [ ] Enforcement of judgment (20)

Miscellaneous Civil Complaint
- [ ] RICO (27)
- [X] Other complaint *(not specified above)* (42)

Miscellaneous Civil Petition
- [ ] Partnership and corporate governance (21)
- [ ] Other petition *(not specified above)* (43)

2. This case [X] is [ ] is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
   a. [ ] Large number of separately represented parties
   b. [ ] Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve
   c. [ ] Substantial amount of documentary evidence
   d. [X] Large number of witnesses
   e. [X] Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court
   f. [X] Substantial postjudgment judicial supervision
3. Remedies sought *(check all that apply)*: a. [X] monetary b. [X] nonmonetary; declaratory or injunctive relief c. [X] punitive
4. Number of causes of action *(specify)*: Four
5. This case [ ] is [X] is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. *(You may use form CM-015.)*

Date: June 4, 2015

MICHAEL S. WEISS, Deputy City Attorney
(TYPE OR PRINT NAME)

_____
(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE
- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Form Adopted for Mandatory Use
Judicial Council of California
CM-010 [Rev. July 1, 2007]

CIVIL CASE COVER SHEET

Legal Solutions Plus

Cal. Rules of Court, rules 2.30, 3.220, 3.400–3.403, 3.740;
Cal. Standards of Judicial Administration, std. 3.10

INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

To Plaintiffs and Others Filing First Papers. If you are filing a first paper (for example, a complaint) in a civil case, you **must** complete and file, along with your first paper, the *Civil Case Cover Sheet* contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check **one** box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the **primary** cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

To Parties in Rule 3.740 Collections Cases. A "collections case" under rule 3.740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than $25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3.740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

To Parties in Complex Cases. In complex cases only, parties must also use the *Civil Case Cover Sheet* to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3.400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex.

CASE TYPES AND EXAMPLES

Auto Tort
- Auto (22)—Personal Injury/Property Damage/Wrongful Death
- Uninsured Motorist (46) (*if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto*)

Other PI/PD/WD (Personal Injury/ Property Damage/Wrongful Death) Tort
- Asbestos (04)
  - Asbestos Property Damage
  - Asbestos Personal Injury/ Wrongful Death
- Product Liability (*not asbestos or toxic/environmental*) (24)
- Medical Malpractice (45)
  - Medical Malpractice–Physicians & Surgeons
  - Other Professional Health Care Malpractice
- Other PI/PD/WD (23)
  - Premises Liability (e.g., slip and fall)
  - Intentional Bodily Injury/PD/WD (e.g., assault, vandalism)
  - Intentional Infliction of Emotional Distress
  - Negligent Infliction of Emotional Distress
  - Other PI/PD/WD

Non-PI/PD/WD (Other) Tort
- Business Tort/Unfair Business Practice (07)
- Civil Rights (e.g., discrimination, false arrest) (*not civil harassment*) (08)
- Defamation (e.g., slander, libel) (13)
- Fraud (16)
- Intellectual Property (19)
- Professional Negligence (25)
  - Legal Malpractice
  - Other Professional Malpractice (*not medical or legal*)
- Other Non-PI/PD/WD Tort (35)

Employment
- Wrongful Termination (36)
- Other Employment (15)

Contract
- Breach of Contract/Warranty (06)
  - Breach of Rental/Lease Contract (*not unlawful detainer or wrongful eviction*)
  - Contract/Warranty Breach—Seller Plaintiff (*not fraud or negligence*)
  - Negligent Breach of Contract/ Warranty
  - Other Breach of Contract/Warranty
- Collections (e.g., money owed, open book accounts) (09)
  - Collection Case—Seller Plaintiff
  - Other Promissory Note/Collections Case
- Insurance Coverage (*not provisionally complex*) (18)
  - Auto Subrogation
  - Other Coverage
- Other Contract (37)
  - Contractual Fraud
  - Other Contract Dispute

Real Property
- Eminent Domain/Inverse Condemnation (14)
- Wrongful Eviction (33)
- Other Real Property (e.g., quiet title) (26)
  - Writ of Possession of Real Property
  - Mortgage Foreclosure
  - Quiet Title
  - Other Real Property (*not eminent domain, landlord/tenant, or foreclosure*)

Unlawful Detainer
- Commercial (31)
- Residential (32)
- Drugs (38) (*if the case involves illegal drugs, check this item; otherwise, report as Commercial or Residential*)

Judicial Review
- Asset Forfeiture (05)
- Petition Re: Arbitration Award (11)
- Writ of Mandate (02)
  - Writ–Administrative Mandamus
  - Writ–Mandamus on Limited Court Case Matter
  - Writ–Other Limited Court Case Review
- Other Judicial Review (39)
  - Review of Health Officer Order
  - Notice of Appeal–Labor Commissioner Appeals

Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3.400–3.403)
- Antitrust/Trade Regulation (03)
- Construction Defect (10)
- Claims Involving Mass Tort (40)
- Securities Litigation (28)
- Environmental/Toxic Tort (30)
- Insurance Coverage Claims (*arising from provisionally complex case type listed above*) (41)

Enforcement of Judgment
- Enforcement of Judgment (20)
  - Abstract of Judgment (Out of County)
  - Confession of Judgment (*non-domestic relations*)
  - Sister State Judgment
  - Administrative Agency Award (*not unpaid taxes*)
  - Petition/Certification of Entry of Judgment on Unpaid Taxes
  - Other Enforcement of Judgment Case

Miscellaneous Civil Complaint
- RICO (27)
- Other Complaint (*not specified above*) (42)
  - Declaratory Relief Only
  - Injunctive Relief Only (*non-harassment*)
  - Mechanics Lien
  - Other Commercial Complaint Case (*non-tort/non-complex*)
  - Other Civil Complaint (*non-tort/non-complex*)

Miscellaneous Civil Petition
- Partnership and Corporate Governance (21)
- Other Petition (*not specified above*) (43)
  - Civil Harassment
  - Workplace Violence
  - Elder/Dependent Adult Abuse
  - Election Contest
  - Petition for Name Change
  - Petition for Relief from Late Claim
  - Other Civil Petition